

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

PERIODIC REPORTING  
(PROPOSALS ONE THROUGH FIVE)

Docket No. RM2012-5

RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 2

The United States Postal Service hereby provides its responses to Questions 1 and 2 of Chairman's Information Request No. 2. The request was issued on July 27, 2012, with responses due today. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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**Question 1**

This proposal notes that the Postal Service has implemented the USPS Tracking Barcode to better track parcels. The proposal indicates that carriers perform scans on parcels during street activities. The proposal does not indicate whether the Tracking Barcode is used to track parcels end-to-end including Carrier Pickup or acceptance of the parcel, and processing and transportation of the parcel.

- a. Does the Tracking Barcode allow the Postal Service to track parcels end-to-end including:
  - i. Carrier Pickup;
  - ii. carrier acceptance, and
  - iii. processing and transportation?
- b. Do the costs of the delivery scans include the cost of scanning the parcel during a Carrier Pickup of the parcel from a customer?

**RESPONSE:**

- a.
  - i. Carrier Pickup: No. Carriers generally do not scan parcels accepted through Carrier Pickup.
  - ii. Carrier Acceptance: No. Carriers generally do not scan parcels through acceptance at a collection box or directly from a customer.
  - iii. Processing: Possibly. Parcel automation equipment captures barcodes during sorting. However, parcels sorted manually are not tracked through the mail processing network.  
  
Transportation: No.
- b. No. These costs are not included because they are not generally incurred during a Carrier Pickup event.

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**Question 2**

Please confirm that the estimated scan cost of Proposal Two is \$9.1 million, as shown in the table on pages 5 and 6 of the Petition.

- a. If confirmed, please provide the distribution key used to allocate the total scan cost to the products.
- b. If not confirmed, please provide the total estimated scan cost of the proposal for FY 2011 and the distribution key used to allocate the total scan cost to the products.

**RESPONSE:**

Confirmed. The method used to calculate the product cost impacts is the same as used for similar proposals approved by the Commission.<sup>1</sup> The requested distribution keys are provided in the table below:

<b>FIRST-CLASS MAIL</b>	<b>Regular</b>	<b>Deviation</b>
SINGLE-PIECE LETTERS	0.76%	0.00%
SINGLE-PIECE CARDS	0.00%	0.00%
PRESORT LETTERS	0.00%	0.00%
PRESORT CARDS	0.00%	0.00%
SINGLE PIECE FLATS	4.89%	0.00%
PRESORT FLATS	0.04%	0.00%
SINGLE PIECE PARCELS	25.86%	8.10%
PRESORT PARCELS	3.75%	0.86%
<b>TOTAL FIRST-CLASS</b>	<b>35.31%</b>	<b>8.96%</b>
<b>STANDARD MAIL</b>		
HIGH DENSITY & SATURATION LETTERS	0.00%	0.00%
HIGH DENSITY & SATURATION FLATS & PARCELS	0.00%	0.00%
CARRIER ROUTE	0.01%	0.00%
LETTERS	0.00%	0.00%
FLATS	0.23%	0.00%
NOT FLAT-MACHINABLES & PARCELS	22.99%	5.69%
<b>TOTAL STANDARD MAIL</b>	<b>23.23%</b>	<b>5.69%</b>
<b>PERIODICALS</b>		
IN COUNTY	0.02%	0.06%

<sup>1</sup> See Docket No. RM2009-10, Order No. 339 (Nov. 13, 2009), at 8-9 (regarding Proposal Six); Docket No. RM2011-12, Order No. 920 (Oct. 21, 2011), at 17 (regarding Proposal Eight).

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OUTSIDE COUNTY	0.02%	0.06%
<b>TOTAL PERIODICALS</b>	0.02%	0.06%
<b>PACKAGE SERVICES</b>		
SINGLE-PIECE PARCEL POST	2.54%	15.59%
BOUND PRINTED MATTER FLATS	0.09%	0.00%
BOUND PRINTED MATTER PARCELS	1.56%	4.15%
MEDIA AND LIBRARY MAIL	5.26%	5.20%
<b>TOTAL PACKAGE SERVICES</b>	9.45%	24.94%
<b>US POSTAL SERVICE</b>	0.06%	0.05%
<b>FREE MAIL</b>	0.00%	0.00%
<b>Total Domestic Market Dominant Mail</b>	68.06%	39.70%
<b>Ancillary Services</b>		
CERTIFIED	0.00%	0.00%
COD	0.00%	0.00%
INSURANCE	0.00%	0.00%
REGISTRY	0.00%	0.00%
SPECIAL HANDLING	0.00%	0.00%
STAMPED ENVELOPES	0.00%	0.00%
STAMPED CARDS	0.00%	0.00%
OTHER ANCILLARY SERVICES	0.00%	0.00%
<b>Special Services</b>		
MONEY ORDERS	0.00%	0.00%
POST OFFICE BOX	0.00%	0.00%
OTHER SPECIAL SERVICES	0.00%	0.00%
<b>Total Domestic Market Dominant Services</b>	0.00%	0.00%
<b>Total Domestic Market Dominant Mail and Services</b>	68.06%	39.70%
<b>Total Domestic Competitive</b>	31.90%	60.25%
<b>INTERNATIONAL MAIL</b>	0.04%	0.05%